



MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC # 134-2006

LETTER TO COMMISSION

TO: Mayor David Dermer and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: May 15, 2006

SUBJECT: Letter of Interest Submitted to Miami-Dade County in Connection with the Building Better Communities General Obligation Bond Economic Development Fund (EDF) for City Projects

I am pleased to advise you that the City of Miami Beach has submitted Letters of Interest for funding under the Building Better Communities General Obligation Bond Economic Development Fund (EDF) for two City projects: 1) Renovation of the Jackie Gleason Theater of The Performing Arts for a permanent venue for Cirque Du Soleil; and, 2) Retail Development Project at Alton Road and 5th Street.

The EDF is a component of the fifteen-year Building Better Communities General Obligation Bond Program (GOB) and is available for the purpose of providing infrastructure improvements to spur economic development and attract new businesses to the community. The EDF includes \$75 million that is available countywide and \$15 million that is specifically focused on the county's designated Targeted Urban Areas (TUAs).

The projects and descriptions are as follows:

1. Renovation of the Jackie Gleason Theater of The Performing Arts for a permanent venue for Cirque Du Soleil

This is a significant joint venture economic development project of regional, even statewide significance, which includes a complete renovation of the Jackie Gleason Theater of the Performing Arts for a permanent venue for Cirque Du Soleil. The proposed renovated theater will include a show restaurant of approximately 250 seats, a lounge area to service the restaurant, and a special event/live entertainment venue. The final product will reflect Cirque's signature creative, unique and high quality approach. The project will create a new, world-class entertainment alternative that continues to support Greater Miami's expansion into new and existing markets.

A recent feasibility study conducted by Conventions Sports & Leisure, a leading advisory and planning firm that specializes in services to the sports, entertainment and leisure industries, anticipates that the project will generate annual net new direct spending of over \$50 million, and create over 850 private sector jobs.

The total project cost is estimated at approximately \$150 million and will leverage as much as \$70-80 million in private sector funding. The City has requested EDF funding in the amount of \$15 million.

2. Retail Development Project at Alton Road and 5th Street

This is a \$65 million joint venture project that will activate the western end of Fifth Street, the primary transportation route to and from the City of Miami Beach, by providing shopping alternatives that are in high demand by, but currently unavailable to, the existing consumer population. The project contains approximately 179,000 square feet of vertical retail area, which includes a full-service supermarket and parking garage.

The project will spur economic development, attract new businesses to our community, leverage approximately \$52 million in private sector investment, create over 500 new jobs, redevelop a brownfield, reduce traffic congestion, and provide a much needed full-service supermarket for the neighborhood.

The total development cost is estimated at approximately \$65 million. Amount requested from EDF: \$5 million.

Both projects are of importance to the City of Miami Beach, and Miami-Dade County. The County has already received requests in excess of the available funding and, the County's Economic Development Review Committee, tasked with reviewing and recommending projects for funding recently met to commence the review of funding requests and to discuss the establishment of guidelines for the EDF program and funds, and to determine a method for evaluating and prioritizing proposals.

Please feel free contact me at (305) 673-7010 if you need additional information.

JMG/KC/JH

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